REMARKS/ARGUMENTS

The rejections presented in the Office action dated June 27, 2011 (hereinafter "Office action"), have been considered. Reconsideration of the pending claims and allowance of the application in view of the present response is respectfully requested.

Applicant respectfully traverses each of the rejections (§§ 102(b) and 103(a)) based on the teachings of U.S. Patent No. 5,070,527 to Lynn (hereinafter "Lynn"); however, in the interests of advancing prosecution and in a *bona fide* attempt to advance the application to allowance, the independent claims have been amended to clarify particular aspects of the claimed invention. For example, the independent claims have been amended to characterize that an adaptive threshold control generates a variable threshold that is continually controlled depending on the differences between the power of the audio signal input and the long term maximum output power level. The independent claims also now recite that a smooth transition is provided from the maximum power level for short time interval operation to a maximum power level for long time interval operation. Support for these changes may be found in the original specification, for example, at Fig. 3; at page 12, lines 10-14; and at page 13, lines 3-7; therefore, the changes do not introduce new matter. Since Lynn does not teach or suggest at least a variable threshold, as now claimed, each of the rejections would be improper. Applicant accordingly requests that each of the rejections be withdrawn.

Applicant notes that the cited Lynn reference is a continuation of U.S. Patent No. 4,928,307, which is discussed in Applicant's specification at page 1, line 23, through page 2, line 12. Therefore, Lynn has an identical disclosure and teaches that which is discussed in Applicant's specification, including the noted disadvantages. For example, as already noted in Applicant's specification, Lynn fails to teach or suggest at least a smooth transition from the maximum power level for short time interval operation to a maximum power level for long time interval operation (*see*, disadvantage 2).

Applicant also maintains that Lynn does not teach or suggest that a short time interval operation and a long time interval operation are independently controlled, as claimed in the independent claims. Rather, Lynn teaches that the threshold operations are

based on pre-selected time intervals (Col. 3, lines 51-66) and not independently controlled (Col. 4, lines 25-45). Contrary to the assertion at page 3 of the Office action, the statement "The subsequent compression threshold operation is not performed until the initial compression threshold operation is performed; thus, the use of the word 'initial'." refers to Lynn, not Applicant's claimed features. Applicant further traverses the erroneous assertions that the claimed invention operates, or is otherwise, the same as Lynn.

It should be noted that Applicant does not acquiesce to the Examiner's statements or conclusions concerning what would have been obvious to one of ordinary skill in the art, obvious design choices, inherent, common knowledge at the time of Applicant's invention, officially noticed facts, and the like. Applicant reserves the right to address in detail the Examiner's characterizations, conclusions, and rejections in future prosecution.

Authorization is given to charge Deposit Account No. 50-3581 (IHN.093.WUS) any necessary fees for this filing. If the Examiner believes it necessary or helpful, the undersigned attorney of record invites the Examiner to contact the undersigned attorney to discuss any issues related to this case.

Respectfully submitted,

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Date: October 24, 2011 By: /Erin Nichols Matkaiti/

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